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Committee on Market Access

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MEASURE UNDERTAKEN BY SWITZERLAND TO ELIMINATE CUSTOMS DUTIES ON INDUSTRIAL PRODUCTS

COMMUNICATION FROM SWITZERLAND

The following communication, dated 7 March 2024, is being circulated at the request of the delegation of Switzerland.

- 1. Switzerland, committed to promoting the liberalization of trade, wishes to notify the Members of the World Trade Organization (WTO) of a unilateral measure to eliminate MFN customs duties on the vast majority of industrial products.
- 2. The measure eliminating MFN customs duties came into effect on 1 January 2024. It concerns all goods under chapters 25–97 of the customs tariff, with the exception of some goods under chapters 35 and 38, such as albumin, dextrin and acid oils, which are considered agricultural products in Switzerland.
- 3. It is important to underscore that Switzerland's WTO obligations remain unchanged following the entry into force of the new law, as the WTO bound tariffs are not affected.
- 4. Eliminating MFN customs duties on industrial products will strengthen Switzerland's position as a business and industrial hub, and should generate an estimated total welfare gain of CHF 860 million. The main aim of the measure is to improve the competitiveness of Swiss manufacturers by making it easier for them to procure inputs, which, in turn, will raise their productivity. In addition to eliminating MFN customs duties on industrial products, the Swiss tariff structure has been streamlined. Easing the administrative burden of customs procedures in this way will make trade relations more effective overall.
- 5. However, importers are still required to make an import declaration, and to pay other fees and charges incurred on imports, including VAT.
- 6. By unilaterally eliminating MFN customs duties on industrial products, Switzerland has liberalized much of its trade and facilitated trade on both sides of its borders, sending out a clear message to the rest of the world against trade protectionism.